



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

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May 8, 2003

IN REPLY PLEASE
REFER TO FILE:

PD-5

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**EAST LOS ANGELES SHUTTLE SERVICE
AMENDMENT NO. 2 TO CONTRACT NO. 72675
PROPOSITION A LOCAL RETURN TRANSPORTATION PROGRAM
SUPERVISORIAL DISTRICT 1
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the first 2-year renewal option to continue the East Los Angeles Shuttle Service with Operation Shuttle, Inc., from July 1, 2003, through June 30, 2005.
2. Authorize the Director of Public Works, or his designee, to negotiate and execute Amendment No. 2 to Contract No. 72675, essentially in the form of the enclosed amendment, between Operation Shuttle, Inc., and the County of Los Angeles.
3. Authorize the Director of Public Works, or his designee, to encumber and disburse up to \$2,150,000 of Proposition A Local Return Transit funds, available in the First Supervisorial District's allocation of the Transit Enterprise Fund, to finance the cost of the two-way service provided by the Operation Shuttle, Inc., from July 1, 2003, through June 30, 2005.

PURPOSE /JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to approve the two-year renewal option to Contract No. 72675 (approved by your Board on February 18, 2000, Synopsis 31, and amended October 31, 2000, Synopsis 42) with Operation Shuttle, Inc., for the East Los Angeles Shuttle Service, from July 1, 2003, through June 30, 2005. It will also amend the agreement to include the Jury Service Program requirements and add various County contract policies approved by your Board after its award.

Implementation of Strategic Plan Goals

This action meets the County's Strategic Plan of Service Excellence as it provides services to the public in a responsive manner. This service will compliment the existing transit service in the area, improving mobility for the area residents.

FISCAL IMPACT/FINANCING

This action approves a total estimated cost of \$2,150,000, which includes \$295,000 for unanticipated service requirements, to cover the cost to continue the two-way shuttle service from July 1, 2003, through June 30, 2005.

This shuttle service will be financed from the First Supervisorial District's Proposition A Local Return Transit funds available in the Transit Enterprise Fund administered by the Department of Public Works and from fare box revenues. The fare will be \$0.25 per trip with no charge for seniors, persons with disabilities, and children under five years of age when accompanied by a fare paying adult.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This contract, through this amendment, will be in compliance with the mandatory jury service requirements as set forth in Los Angeles County Code, Chapter 2.203.010 through 2.203.090, Jury Service Program.

The Honorable Board of Supervisors
May 8, 2003
Page 3

In accordance with the Chief Administrative Officer's June 15, 2001, instructions, this is Public Works' assurance that this contractor will not be requested to perform services which will exceed the contract's approved amount, scope of work, and/or dates.

ENVIRONMENTAL DOCUMENTATION

On October 31, 2000, your Board found this two-way shuttle service statutorily exempt from the California Environmental Quality Act pursuant to Public Resource Code 21080 (b) (10) under transportation-related projects.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This action provides for the continuation of the current service. There will be no impact on other transportation services or projects resulting from this action.

CONCLUSION

Upon approval, please return two approved copies of this letter to Public Works.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

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Enc.

cc: Chief Administrative Office
County Counsel
Auditor Controller (Dewitt Roberts)
Office of Affirmative Action Compliance (Robert Valdez)

AMENDMENT NO. 2 TO CONTRACT NO. 72675

THIS AMENDMENT NO. 2 to CONTRACT NO. 72675, hereinafter referred to as "CONTRACT", made and entered into by and between the COUNTY OF LOS ANGELES, hereinafter referred to as "COUNTY," and, OPERATION SHUTTLE, INC., hereinafter referred to as "CONTRACTOR":

W I T N E S S E T H

WHEREAS, on February 18, 2000, COUNTY and CONTRACTOR entered into CONTRACT to provide fixed-route service in the COUNTY unincorporated area of East Los Angeles, known as East Los Angeles Shuttle Service, hereinafter referred to as "SERVICE"; and

WHEREAS, the CONTRACT expires on June 30, 2003; and

WHEREAS, the CONTRACT offers an option to renew for two 2-year terms; and

WHEREAS, COUNTY desires to exercise the first 2-year extension option period.

NOW, THEREFORE, in consideration of the mutual covenants contained in said AMENDMENT NO. 2, COUNTY and CONTRACTOR agree as follows:

- A. CONTRACT shall be revised by replacing Sections 2, 6.A, 8.A.1, 8.A.2, 8.A.3, 8.C, 33.B, and by adding sections 46, 47, 48, 49, and 50 as follows:

2. TERM OF CONTRACT

The original term of the CONTRACT was from June 5, 2000, through June 30, 2003, and allowed for two (2), 2-year extensions. This AMENDMENT NO. 2 will implement the first 2-year extension and extend the term of the original CONTRACT to include the period from July 1, 2003, through June 30, 2005. After this first extension period, the CONTRACT may be extended for one (1) additional, two (2)-year term, upon the mutual approval of the CONTRACTOR and the COUNTY.

6. STORAGE AND MAINTENANCE FACILITIES

- A. CONTRACTOR shall provide appropriate fixed vehicle storage and maintenance facilities for the garaging, servicing, and cleaning of SERVICE vehicle(s) and equipment. Facilities shall be located at 395 South Atlantic Avenue, Los Angeles, California, 90022, and shall include:

8. RATES, COMPENSATION, PASS-THROUGH COSTS

A. Rates

1. CONTRACORS VEHICLES

COUNTY shall pay CONTRACTOR on a monthly basis an amount equal to the sum of i) the number of vehicle service hours provided with CONTRACTOR VEHICLES times Forty-five and 89/100 Dollars (\$45.89), hereinafter referred to as "CONTRACTOR VEHICLE RATE"; less ii) all amounts collected by CONTRACTOR from passengers to whom SERVICE is provided pursuant to Section 14 of this CONTRACT, and less iii) any and all liquidated damages pursuant to Section 15.C of this CONTRACT. A vehicle service hour is defined as the actual hours of service starting from the point of first pickup to the last drop-off based on hours determined by COUNTY needed to provide the supplemental SERVICE described in Appendix A.

Unless otherwise provided for herein, CONTRACTOR VEHICLE RATE above shall cover all costs of SERVICE provided by CONTRACTOR using CONTRACT VEHICLES pursuant to this CONTRACT.

2. COUNTY VEHICLES

COUNTY shall pay CONTRACTOR on a monthly basis an amount equal to the sum of i) the number of vehicle service hours provided with COUNTY VEHICLE times Thirty-six and 41/100 Dollars (\$36.41), hereinafter referred to as "COUNTY VEHICLE RATE"; less ii) all amounts collected by CONTRACTOR from passengers to whom SERVICE is provided pursuant to Section 14 of this CONTRACT, less iii) any and all liquidated damages pursuant to Section 15.C of this CONTRACT.

Unless otherwise provided for herein, the COUNTY VEHICLE RATE above shall cover all costs of SERVICE provided by CONTRACTOR using COUNTY OWNED VEHICLES pursuant to this CONTRACT.

3. SUPPLEMENTAL SERVICE

Supplemental service, as described in Appendix A, shall be approved by COUNTY prior to starting of the CONTRACT, and is subject to availability of funding.

COUNTY shall pay CONTRACTOR on a monthly basis an amount equal to the sum of i) the number of vehicle service hours provided with CONTRACTOR VEHICLES times CONTRACTOR VEHICLE RATE, less ii) all amounts collected by the CONTRACTOR from passengers to whom SERVICE is provided pursuant to Section 14 of this CONTRACT, and less iii) any and all liquidated damages pursuant to Section 15.C of this CONTRACT.

Unless otherwise provided for herein, the CONTRACTOR VEHICLE RATE above shall cover all costs of supplemental SERVICE provided by CONTRACTOR pursuant to this CONTRACT.

C. Maximum Obligation

COUNTY'S maximum obligation under the terms of the CONTRACT was Three Million Two Hundred Seventeen Thousand and 00/100 Dollars (\$3,217,000.00) and was subject to availability of funds in its Fiscal Year (FY) 2000-01, FY 2001-02, and FY 2002-03 budgets.

COUNTY'S maximum obligation for the first 2-year option term is Two Million One Hundred Fifty Thousand and 00/100 Dollars (\$2,150,000.00). COUNTY'S obligation under this first 2-year option of CONTRACT is subject to availability of funds in its Fiscal Year (FY) 2003-04 and FY 2004-05 budgets.

33. NOTICES

B. Notices to CONTRACTOR shall be addressed as follows:

Mr. Michael Simmons
Operation Shuttle, Inc.
6280 Manchester Boulevard, Suite 210
Buena Park, CA 90621

46. COMPLIANCE WITH JURY SERVICE PROGRAM

A. Jury Service Program

This CONTRACT is subject to the provisions of COUNTY'S ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

B. Written Employee Jury Service Policy

1. Unless CONTRACTOR has demonstrated to COUNTY'S satisfaction either that CONTRACTOR is not a "contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that CONTRACTOR qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), CONTRACTOR shall have and adhere to a written policy that provides that its Employees shall receive from CONTRACTOR, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with CONTRACTOR or that CONTRACTOR deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Section, "CONTRACTOR" means a person, partnership, corporation, or other entity which has a contract with COUNTY or a subcontract with a COUNTY CONTRACTOR and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more COUNTY contracts or subcontracts. "Employee" means any California resident who is a full-time employee of contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if the lesser number is a recognized industry standard and is approved as such by COUNTY. If CONTRACTOR uses any subcontractor to perform services for COUNTY under this CONTRACT, the subcontractor

shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If CONTRACTOR is not required to comply with the Jury Service Program when this CONTRACT commences, CONTRACTOR shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and CONTRACTOR shall immediately notify County if CONTRACTOR at any time either comes within the Jury Service Program's definition of "CONTRACTOR" or if CONTRACTOR no longer qualifies for an exception to the Program. In either event, CONTRACTOR shall immediately implement a written policy consistent with the Jury Service Program. COUNTY may also require, at any time during this CONTRACT and at its sole discretion, that CONTRACTOR demonstrate to COUNTY'S satisfaction that CONTRACTOR either continues to remain outside of the Jury Service Program's definition of "contractor" and/or that CONTRACTOR continues to qualify for an exception to the Program.
4. CONTRACTOR'S violation of this Section of this CONTRACT may constitute a material breach of this CONTRACT. In the event of such material breach, COUNTY may, in its sole discretion, terminate this CONTRACT and/or debar CONTRACTOR from the award of future COUNTY contracts for a period of time consistent with the seriousness of the breach.

47. RECYCLED-CONTENT PAPER PRODUCTS

Consistent with the Los Angeles County Board of Supervisors policy to reduce the amount of solid waste deposited at COUNTY landfills, CONTRACTOR agrees to use recycled content paper to the maximum extent possible under this CONTRACT.

48. CONTRACTOR RESPONSIBILITY AND DEBARMENT

- A. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness as well as quality, fitness, capacity, and experience to satisfactorily perform the proposed contract. It is COUNTY'S policy to conduct business only with responsible contractors.

- B. CONTRACTOR is hereby notified that, in accordance with Chapter 2.202 of the County Code, if COUNTY acquires information concerning the performance of CONTRACTOR on this or other contracts which indicates that CONTRACTOR is not responsible, COUNTY may, in addition to other remedies provided in the CONTRACT, debar the CONTRACTOR from bidding on COUNTY contracts for a specified period of time not to exceed three years and terminate any or all existing contracts the CONTRACTOR may have with COUNTY.
- C. COUNTY may debar a CONTRACTOR if the Board of Supervisors finds, in its discretion, that CONTRACTOR has done any of the following: (1) violated any term of a contract with COUNTY, (2) committed any act or omission which negatively reflects on CONTRACTOR'S quality, fitness, or capacity to perform a contract with the COUNTY or any other public entity or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against COUNTY or any other public entity.
- D. If there is evidence that CONTRACTOR may be subject to debarment, DIRECTOR will notify CONTRACTOR in writing of the evidence, which is the basis for the proposed debarment, and will advise CONTRACTOR of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. CONTRACTOR and/or CONTRACTOR'S representative shall be given an opportunity to submit evidence at that hearing. After the hearing, Contractor Hearing Board will prepare a proposed decision, which will contain a recommendation regarding whether the CONTRACTOR should be debarred and, if so, the appropriate length of time of the debarment. If CONTRACTOR fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, CONTRACTOR may be deemed to have waived all rights of appeal.
- F. A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board will be presented to the Board of Supervisors. The Board of Supervisors will have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

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CONTRACTOR shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal Income Tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

CONTRACTOR shall have no claim against COUNTY for payment of any money or reimbursement of any kind whatsoever for any service provided by CONTRACTOR after the expiration or other termination of this CONTRACT. Should CONTRACTOR receive any such payment it shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration or other termination of this CONTRACT shall not constitute a waiver of COUNTY'S right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this CONTRACT.

B. Except as herein amended, CONTRACT and AMENDMENT NO.1 to CONTRACT NO. 72675 shall remain in full force and effect.

IN WITNESS WHEREOF, the Director of Public Works, pursuant to authority delegated by the Board of Supervisors of the COUNTY of Los Angeles on _____, 2003, Synopsis _____, and Operation Shuttle, Inc., have caused this AMENDMENT NO. 2 to CONTRACT to be executed by and through their respective officers, duly authorized, on _____, 2003.

COUNTY OF LOS ANGELES

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By _____
Director of Public Works

By _____
Deputy

OPERATION SHUTTLE, INC.

By _____
President/Vice President

By _____
Secretary/Assistant

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